

Argument in Favor of Measure V

It's time to get control over the runaway costs of public employee wages and benefits that drive us to cut community services like police, fire, libraries and parks year after year.

Each year, San Jose taxpayers foot the bill for an average of over \$180,000 for each police officer and firefighter. Increases in pay and benefits dictated by outside arbitrators have driven up these skyrocketing costs, as have contracts negotiated under the threat of binding arbitration. Payments for retirement benefits have tripled over the last ten years, even as budget cuts have forced us to reduce our workforce by 20%.

The 2009-2010 Santa Clara County Grand Jury's report "Cities Must Rein In Unsustainable Employee Costs," concluded the arbitration process in San Jose "has resulted in wage and benefit decisions that have been greater than the growth in basic revenues sources."

www.sccsuperiorcourt.org/jury/GJ.html#reports.

In 2007, an outside arbitrator granted a pension increase to firefighters, many of whom now enjoy six-figure pensions. That decision created a projected unfunded liability of \$30 million, borne wholly by San Jose taxpayers.

Vote YES to place common-sense limits on the power of unaccountable, unelected outside arbitrators:

Keep outside arbitrators from giving pay raises that exceed the average increase in designated revenues over the past 5 years.

Require that the arbitrators' primary factor in settlements be based on the City's financial ability to pay from on-going revenues without reducing City services.

Prevent outside arbitrators from giving retroactive benefits or creating unfunded liabilities.

Vice Mayor Chirco and Councilmembers Constant, Herrera, Liccardo, Nguyen, and Oliverio support Measure V because it stops arbitrators from spending money the City doesn't have.

Help San Jose regain control of the budget and protect the taxpayers with honest negotiations and good faith bargaining.

Vote YES on Measure V. www.SanJoseFiscalReforms.com

Chuck Reed
Mayor of San Jose

Patricia Dando
CEO- President, San Jose Silicon Valley Chamber of Commerce

Dr. Marc B. Liebman, School Superintendant

Doug McNea, Santa Clara County Taxpayers Association

Nanci Williams, San Jose Small Business Owner

Revised by Court Order dated August 27, 2010